

DEPARTMENT OF SOCIAL SERVICES



May 29, 1979

ALL-COUNTY LETTER NO. 79-33

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP ISSUANCE FORMS

REFERENCE:

The purpose of this notice is to provide instructions (see attachment) on the following new or revised food stamp forms:

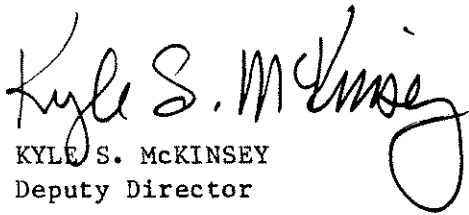
- DFA 299.1 - Coupon Replacement Authorization
- DFA 303 - Replacement Authorization/Affidavit for Coupon Books
- DFA 303.1 - ATP Replacement Authorization/Affidavit
- DFA 358 - Food Stamp Program Participants by Ethnic Groups
- DFA 402 - Report on Restored Food Stamp Benefits
- FNS 135 - Affidavit of Return or Exchange of Food Coupons
- FNS 136 - Certificate of Destruction of Food Coupons
- FNS 209 - Status of Claims Against Household
- FNS 256 - Monthly Report of Participation and Coupon Issuance
- FNS 259 - Food Stamp Mail Issuance Report
- FNS 260 - Requisition for Food Coupon Books
- FNS 300 - Advice of Transfer

An interim supply of these forms (except FNS 256 and FNS 300 - see attachment) has been sent to each county. An additional supply of DFA forms may be ordered from the SDSS warehouse. The federal forms may be ordered from FNS in Washington, D.C.

Please note that unless indicated in the attachment, instructions regarding "state agency" on the FNS forms should be considered "county" action. We realize that some forms are not used in all counties (i.e. ATP Form DFA 303.1). If you received forms that are not used in your county, please contact your Program Operations analyst. We will coordinate shipment to another county that needs the forms.

If you have any further questions regarding these forms, please contact your Food Stamp Operations analyst at (916) 322-5475.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

Attachment

cc: CWDA

Attachment

DFA 299.1 - Coupon Replacement Authorization (CRA)

The CRA is designed for use in counties which use an issuance agent and do not have a sufficient supply of coupons to issue replacements for non-delivered coupons.

The data required on the CRA is similar to that required on an ATP. The CRA serial number can be the household's ATP serial number or a continuous numbering system the county maintains for audit purposes. The CRA must be supported by a signed case file copy of the form DFA 303.

The county shall develop a method to record all CRAs issued during the month for data needed on the following reports: (1) the total value of all Coupon Replacement Authorizations shall be reported on line 20 of the Form FNS 250, Food Coupon Accountability Report, for the month in which the replacement is made, and (2) the amount of coupons replaced using the CRA will be entered on column (b) and the total value of the replacements must be entered in column (e) of the FNS 259, Food Stamp Mail Issuance Report.

DFA 303 - Replacement Authorization/Affidavit for Coupon Books

The purpose of the DFA 303 is to provide both a household affidavit and county authorization for the replacement of coupons reported as lost in mail.

If the coupons or a Coupon Replacement Authorization (DFA 299.1) are issued over-the-counter, an original and one copy of the DFA 303 must be signed (items 6 and 7) by the household and county for purposes of authorizing the replacement. When the household receives the coupons, the household must sign again (item 9) for purposes of verifying receipt of coupons. The county maintains the copy in the household's case file.

If the coupons or Coupon Replacement Authorization (DFA 299.1) are issued through the mail, an original and two copies of the DFA 303 must be signed (items 6 and 7) by the household and county for purposes of authorizing the replacement. The original then is enclosed with the coupons and a self-addressed, stamped envelope so that the household can sign the verification portion (item 9) of the original and return it to the county. One of the copies should be kept in the household's case file and the other copy kept in a suspense file pending the return of the original. A system of follow-up controls shall be established to ensure that the original is returned (e.g. if the original is not returned, obtain the verification signature at the household's next scheduled interview).

DFA 303.1 - ATP Replacement Authorization/Affidavit

The purpose of the form DFA 303.1 is to provide both a household affidavit and county authorization for the replacement of an ATP reported lost in the mail.

The instructions for this form are the same as the DFA 303. The only difference between the two forms is that the DFA 303 is for coupon replacements and the DFA 303.1 is for ATP replacements.

The county is required to cross check against the ATP master file to determine if both the original ATP and replacement ATP are transacted by the household or some other person. Any duplicate ATP transaction may result in program loss.

DFA 358 - Food Stamp Program Participants by Ethnic Groups

Please delete all references in the instructions of the DFA 358 that refer to the purchase of coupons and semi-monthly or weekly participation. The revision to this form with new instructions will be available when the current supply is depleted.

DFA 402 - Report on Restored Food Stamp Benefits

This form is no longer required. Please obsolete all remaining supplies of this form.

FNS 135 - Affidavit of Return or Exchange of Food Coupons

The revised FNS 135 is used for the exchange of old series coupons to new series coupons and as an affidavit of return of coupons by an individual.

The instructions on the back of the form are self-explanatory. However, please note that now if a household returns an overissuance (cashier error) prior to the county discovering the overissuance and filing a claim, the amount of overissuance shall be noted on the FNS 135 in item 3(a).

FNS 136 - Certificate of Destruction of Food Coupons

The new food stamp regulations now permit the counties to destroy coupons without prior FNS approval providing the requirements in Section 63-601.4 are met. The FNS 136 serves as a record of destruction.

This form is used in conjunction with the FNS 135 and FNS 43 and for verification of Line 13 of form FNS 250. The instructions on the back of the form are self-explanatory.

FNS 209 - Status of Claims Against Households

The FNS 209 is a new form which replaces the DFA 332 - Claim Determination Report for reporting to FNS. (The DFA 332 may be used as an internal form in determining a claim against the household.) This form shall cover the county's activities relating to claims during the previous month.

The following are definitions of the types of claims reported on the form:

Active claim - a claim that has been established and has not been determined uncollectible for the last three years.

Suspended claim - a claim that has been discontinued because of criteria identified in Section 63-801.24.

New claim established - includes only the part of the claim that is not compromised.

Compromised claim - a claim that cannot be liquidated in three years without creating a hardship on the household (Section 63-801.512).

Terminated claim - a claim that has been suspended and determined uncollectible after three years. (Section 63-801.35)

The following is a list of questions and answers on the FNS 209 which has been provided to us by FNS:

1. Question: If a claim is currently suspended, and the household receives lost benefits, is the three-year suspension period merely interrupted, or must it begin again once the lost benefits have been provided?

Answer: The receipt of lost benefits will not affect the timetable for suspension. The amount of the claim suspended will be reduced by the amount of the lost benefits authorized. The county will document the change during the report month by reducing the figure in item 11, Balance of Suspended Claims at end of Month, by the amount of the lost benefits allocated for that purpose. The amount of the reduction should be included in item 6, Amount Collected by Offsetting Lost Benefits to be Restored.

2. Question: After a claim is held suspended for three years and is terminated, must the terminated claim also be carried for three years on the FNS-209?

Answer: At the end of three years, a suspended claim shall be terminated. The monthly FNS-209 report will document the action by reducing the amount and number of suspended claims in item 11 and including the amount of the termination in 7b, Terminated Claims. The following month, the claim will no longer be reported on the FNS-209. However, the county will need to separately maintain a file copy of the terminated claim for audit purposes for three more years, since termination constitutes fiscal closure.

3. Question: When a claim is changed from suspended to terminated, is the claim included in item 9, Total Number of Claims Closed During Month, at that time, or in the next month?

Answer: When a suspended claim changes to a terminated one, the claim shall be included in the figure entered on line 9 during the month the change occurs.

4. Question: If a Form FNS-293 is being held pending receipt of a claim determination, how is the information about the refund entered on the FNS-209?

Answer: The new regulations provide in 63-802.8 for restoration of lost benefits to households which have paid too much in the past for their coupons. Restoration shall be accomplished by provision of coupons instead of cash. Cash refunds for overcharges are no longer permissible under the new regulations, so that Form FNS-293 should not

be used. The amount of lost benefits due the household shall be entered on Form FNS-209 on line 6 in the same month in which the pending claim is reported as newly established. For example, if a \$200 pending claim is finally established and a \$10 restoration of lost benefits is owed because of a prior overpayment, \$190 shall be included on line 3, New Claims Established During Month, and \$10 on line 6, for the report month.

5. Question: If a claim has been incorrectly calculated, and the amount actually collected or scheduled for collection is in excess of that actually due, who provides the refund and how is the refund reported?

Answer: If the claim has been fully paid and the county repays the participant from monies collected from other household claims, this amount will need to be deducted from item 5, Amounts Collected by Check, Cash or Money Order During Month. An entry should be made in the "Remarks" section to indicate this reduction in the receipts collected for the month. If the claim has not been completely paid by the household, the county should offer to adjust its repayment schedule to reflect the amount of the new claim.

Unless prohibited by county statute, county funds should be used to make the refund. If the county is prohibited from making cash refunds from its own monies, the refund should be submitted to FNS for repayment.

6. Question: All claims are first processed as nonfraud, and so reported until subsequent reclassification of some of them as fraudulent following an administrative hearing or court decision. How will the switch from nonfraud status affect reporting on the FNS-209?

Answer: The number and amount of nonfraud cases reclassified as fraudulent shall be added to item 10, Balance of Active Claims at End of Month, under "FRAUD."

7. Question: What happens to a claim established and then compromised during the report month?

Answer: The amount of the claim to be collected, as determined by the compromise, shall be entered in item 3. The amount of the claim which was eliminated by the compromise shall be entered on line 7a, Compromised Claims. For example, if a fraud claim for \$5,000 is established during the month and then reduced through a compromise to \$3,000, \$3,000 should be entered under "FRAUD" on line 3, and \$2,000 entered under "FRAUD" on line 7a.

8. Question: How are claims which are adjusted subsequent to their establishment reported on Form FNS-209?

Answer: The adjustment of the claim will potentially affect both the amount and the number of claims remaining in either active or suspended status at the end of the month. As such, it may increase or decrease the figures entered in item 10 or 11. Whatever the affect of the change, it should be reported in the "Remarks" column. For example, if the county finds during the month that it has established incorrectly a

claim of \$1,000 against a household which should have been \$500, the Form FNS-209 will reflect a decrease in item 10 or 11 of \$500. As this decrease may not be readily apparent because of other collections during the month, the amount of the reduction in active or suspended collection lines shall be noted under "Remarks."

9. Question: How should claims established before EPR, which are being repaid on installments which encompass more than a three-year period for repayment, be handled on the FNS-209 report?

Answer: These claims may be compromised under the new claims procedures to fit the three-year requirement. Section 63-801.512 permits a compromise to three years if the full amount of the claim cannot be liquidated without creating a financial hardship on the household. For example, if a four-year repayment plan is currently in its second year, the county may elect to reduce the repayment to three years, dropping the amount due after the end of the third year, if a hardship can be demonstrated. The amount of the claim which is eliminated by the compromise should be entered on line 7a.

10. Question: Should nonfraud claims of less than \$35 be reported on the FNS-209?

Answer: Yes. Even though no demand letter is required on these claims, the county will need to keep the report of the claim available, in case the household is determined to be eligible for a restoration of lost benefits and report the amount of the claim on the FNS-209.

11. Question: If a claim is paid in the month established, so that no repayment schedule is required, how is this claim handled on the FNS-209? Will it be entered as a terminated claim?

Answer: The claim shall be included in item 3. The payment shall be included in item 5 and the claim in item 9. The "terminated" category will not be used for this purpose.

FNS 256 - Monthly Report of Participation and Coupon Issuance

The revision to the FNS 256 has not been received as yet from FNS. Until this form is available, counties are to report items 1 and 3 on the present form.

FNS 259 - Food Stamp Mail Issuance Report

Instructions to complete the FNS 259 are included on the back of the last page on the form. Besides the format changes, please note the following: (1) this form is to be completed by all counties with mail issuance, (2) the form is to be submitted quarterly (with monthly totals), (3) those counties that provide both non-ATP and ATP mail issuance must report the data separately on 2 reports, and (4) the distribution requirements have changed.

The new distribution is: The original is sent to FNS, Washington, D.C., one copy each to FNS Regional Office, SDSS, Statistical Services Bureau, and the final copy retained for county files. The due date is 45 days after the end of the report quarter. The report is to be implemented commencing with the April through June 1979 quarter. Questions regarding this report are to be directed to Statistical Services Bureau at (916) 322-2230.

FNS 260 - Requisition for Food Coupon Books

The revised FNS 260 has no major changes. The only change is the inclusion of the new \$10 book, Type F.

FNS 300 - Advise of Transfer

The revised FNS 300 has no major changes. The only change is the inclusion of the new \$10 book. Please use the old form until the new form is available from FNS.